

# NEWS

---

United States Department of Justice  
U.S. Attorney, District of New Jersey  
402 East State Street, Room 430  
Trenton, New Jersey 08608

---



---

**Christopher J. Christie, U.S. Attorney**

---

**More Information?** Contact the Assistant U.S. Attorney or other contact listed below to see if more information is available.

**News on the Internet:** News Releases, related documents and advisories are posted short-term at our website, along with links to our archived releases at the Department of Justice in Washington, D.C. **Go to:** <http://www.njusao.org/break.html>

---

Assistant U.S. Attorney  
ERIC M. SCHWEIKER  
609-989-0566

coto0804.rel  
FOR IMMEDIATE RELEASE  
Aug. 4, 2008

---

## Former Auto Body Shop Owner Sentenced to 108 Months in Prison for Auto Insurance and Bank Fraud Schemes

---

(More)

---

Greg Reinert, PAO  
Public Affairs Office  
<http://www.njusao.org>

856-757-5233  
973-645-2888

**Breaking News (NJ)** <http://www.usdoj.gov/usao/nj/press/index.html>

---

TRENTON – The owner of a defunct Red Bank auto body shop was sentenced to 108 months in federal prison today for his leadership role of a million-dollar automobile insurance fraud, bank fraud and money laundering scheme, U.S. Attorney Christopher J. Christie announced.

U.S. District Judge Joel A. Pisano also ordered John V. Cotona, a/k/a “John Bruno,” 39, of Marlboro, to pay \$1.275 million in restitution and to serve five years of supervised release upon the completion of his prison term.

On Jan.10, Cotona pleaded guilty before Judge Pisano to charges of conspiracy to commit mail fraud, conspiracy to launder money and bank fraud. At his plea hearing, Cotona stated that between January 2001 and June 2005, he operated Perfect Touch Auto Body in Red Bank. During this time period, Cotona conspired and agreed with others to submit false automobile property damage claims to various insurance companies, he admitted.

Cotona admitted that the false insurance claims included information that the subject vehicles suffered damaged resulting from fictitious accidents. Cotona further admitted that, in addition to making claims for purported repairs, many of the cars involved in the fictitious accidents were actually owned by him and titled in the names of other people or various shell companies that he controlled. Cotona also admitted that he agreed to launder the proceeds of the scheme through bank accounts of the shell companies, which he controlled at Commerce Bank.

In addition, Cotona admitted that from May 2005 through June 2005, he defrauded Commerce Bank of approximately \$154,950 by depositing bad checks into accounts he controlled and then withdrawing the proceeds of the checks before the checks were returned for insufficient funds.

Cotona was indicted, along with 10 other individuals, including his brother, Vincent G. Cotona, 44, of New York, in January 2007. All of the co-defendants have pleaded guilty to various offenses, including conspiracy to commit mail fraud, mail fraud, conspiracy to commit money laundering, structuring currency transactions, and making false statements to law enforcement officers. Daniel Hanley, 42, of New York, Enrico Pipoli, 47, of Old Bridge, Glenn Geischen, 40, of Toms River, and John Cotona’s wife, Vincenza Girone, 36, and have been sentenced to probationary terms. The other defendants are pending sentencing before Judge Pisano.

In determining an actual sentence, Judge Pisano consulted the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

In determining Cotona's actual sentence, Judge Pisano determined that under the sentencing guidelines, the insurance fraud and bank fraud schemes caused in excess of \$1 million in losses to more than ten victims, including Commerce Bank and various automobile insurance companies that did business in New Jersey and New York. Judge Pisano further found that the defendant used sophisticated means, such as shell companies, in executing the scheme; that the defendant was the leader of the scheme; and that the defendant attempted to obstruct the government's investigation of his crimes, by attempting to have a potential witness provide false information to law enforcement.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents of the U.S. Secret Service, under the direction of Special Agent in Charge Cynthia Wofford; Special Agents of the IRS Criminal Investigations Division, under the direction of Special Agent in Charge William P. Offord; Postal Inspectors of the U.S. Postal Inspection Service, under the direction of Postal Inspector in Charge David L. Collins; Investigators with the Monmouth County Prosecutor's Office, under the direction of Prosecutor Luis A. Valentin; and Police Officers with the Red Bank Police Department, under the direction of Chief Mark Fitzgerald; the Sayreville Police Department, under the direction of Chief John Garbowski; and the Marlboro Police Department, under the direction of Chief Robert Holmes, Sr., with the investigation leading to the Indictment.

Christie also thanked the National Insurance Crime Bureau, Commerce Bank Corporate Security, and the special investigation units at Allstate Insurance, New Jersey Manufacturer's Insurance, GEICO, State Farm, Travelers, Chubb, Cambridge, Gallagher Bassett, DealerGuard, A.I.U., and CNA Insurance for providing valuable assistance.

The government is represented by Assistant U.S. Attorney Eric M. Schweiker of the Criminal Division in Trenton.

– end –

Defense Attorney: Henry Klingeman, Esq.     Newark